

## REMARKS


The specification is amended to more clearly define the meaning of the term financial advisor and financial advice system as referring to a financial coaching system, since a financial advisor may be understood to be limited to an accredited financial advisor authorized to dispense financial advice. In some circumstances, a license may be required for the dispensing of such advice. The system and method of the present invention may act in conjunction with an accredited financial advisor, but they only provide financial coaching as oppose to financial advice. Although the system of the present invention may suggest changes to a user's financial portfolio based on various criteria, the system does not provide financial advice which only an accredited financial advisor may be qualified to do.

No new matter was introduced. Support for the amendments may be found through out the specification.

Attached hereto is a marked-up version of the changes made to the specification by the current amendment. The attached pages are captioned "**VERSION WITH MARKINGS TO SHOW CHANGES MADE.**"

In the event that a telephone conference would expedite prosecution of the application, the Examiner is respectfully invited to contact the undersigned by telephone at the number set out below.

Respectfully submitted,

  
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## **VERSION WITH MARKINGS TO SHOW CHANGES MADE**

### **In the Specification:**

Please amend the specification starting with page 1, line 20 to read as follows:

#### **FIELD OF INVENTION**

The present invention relates generally to computerized information systems and more particularly to web-enabled computer implemented financial modeling systems.

#### **BACKGROUND OF THE INVENTION**

In today's economic environment, increasing number of individuals are supplementing their retirement plans with personal investment portfolios. Rather than investing in mutual funds, everyday greater numbers of individuals are opting for individually managed portfolios. Until recently, this option was only available to the very wealthy. However, smaller investors are becoming aware of the benefits of an individually managed stock portfolio.

These small investors are increasingly relying upon computer-based systems that organize their financial assets and liabilities and further provide them with a summary of their financial health. However, these systems tend to focus on the administrative aspects of financial planning without enabling the user to make reasoned choices about their financial futures. Furthermore, these systems are limited by their inability to dynamically analyze the financial goals. These limitations are counterproductive to the user's needs to develop and manage an integrated personal financial plan from an executive decision-making perspective.

Many existing financial management systems allow users to electronically organize their financial assets and liabilities. These systems typically focus on presenting the user with a [transactional] summary of their financial transactions and their financial health. Furthermore, these systems typically rely on the user to continually update their personal financial data. As a result, these systems are merely data-driven calculators that are incapable of providing the user with meaningful financial coaching tailored to their financial intentions and expectations.

Another problem with many existing financial management systems is that the user is typically limited to managing the transactional details of their financial data. In these systems

the user is shielded from the planning and deciding aspects of developing their financial plan. Accordingly, the user learns very little from the process and remains heavily dependent on the system to provide an accurate summary of their financial health. These limitations further exacerbate the lack of trust inherent within the relationship between the user and the financial management system.

Furthermore, many existing financial management systems merely project a future value of the user's financial portfolio without providing an indication of the likelihood of achieving that value. Thus, the user is left without any real sense of how to compare one financial plan to another. Consequently, these systems fail to foster a deeper understanding of the risks and/or rewards associated with reasoned financial planning.

Also, few investors have a real understanding of some basic investment parameters such as their risk tolerance, investment style market preferences. These personal financial parameters are what financial advisors would use to help an individual investor devise an investment strategy. Most of the current automated financial management tools are unable to help a user tailor a personal investment strategy.

Furthermore, none of the current financial modeling tools available to the smaller investor can model an existing investment portfolio and help the user move toward an ideal portfolio that would better match the user's investment style, risk tolerance, etc. Also, none of the current portfolio modeling tools available to the average investor have the capability of recommending individual securities based on the user's personal financial parameters and preferences. Since most average investors are not able to interpret the results of these sophisticated algorithms, automated context sensitive coaching is another essential ingredient necessary to enable the user to assume an executive decision making role in his personal financial affairs.

No web-based system currently exists that brings into a personal financial modeling tool, professional level industry accepted algorithms and modeling techniques to forecast the future performance of an investment model, and allow the user to analyze his or her financial portfolio using these techniques, and take advantage of automated and live coaching along the way.

## SUMMARY OF THE INVENTION

In general terms, the present invention relates to an online, Internet-enabled financial management system for modeling the risk associated with the investment portfolio of a user. The system operates in a collaborative web-based computing environment between the user and a financial advisor and comprises a service level subsystem and a coaching generating subsystem. The service level subsystem allows the user to negotiate a service level agreement that defines the user's desired level of support and limits access to user provided information. The coaching generating subsystem is coupled to the service level subsystem and includes one or more coaching engines that dynamically analyze the financial needs of the user in accordance with the user's service level agreement. Furthermore, the coaching engine provides customized financial coaching tailored to the user's life intentions.

In a preferred embodiment of the present invention, after the user and the financial modeling system have negotiated a service level suitable for the user and profitable for the financial institution, the user has access to a variety of financial tools including the risk modeling tool, based on the service level agreement.

In one embodiment of the present invention, the system includes a web-based portfolio modeling system, wherein information from various sources including external sources, and from the user inputs are combined and modeled into the user's current and historical financial portfolio. Furthermore, a financial portfolio risk management system creates a user personal investment profile based on a series of interactive exercises wherein the user is guided through a various scenarios generated by the system and the user responses are evaluated in terms of user risk tolerance, user investment style and user's bull/bear attitude toward the market.

Once the user's personal investment parameters have been determined, the system may generate an ideal portfolio based on the user's personal investment profile. Securities may be filtered through various filters reflecting the user's market attitude, investment style and risk tolerance and securities may be suggested to better mold the user's portfolio to his investment profile. The effect of swapping each security in and out of the user's portfolio is reflected in the model.

Also, the user's present portfolio may be compared to various market indices in terms of risk and return, and the result is graphed on a risk/reward map. The system compares the user's portfolio Value At Risk to that of some user selected benchmark indexes and/or securities. The

user portfolio's volatility or Beta value can be compared to that of chosen benchmark Beta values.

In an alternative other embodiment of the present invention, by various algorithms, the system may project the user's portfolio value into the future and predict the possibility of the user achieving his investment target, as well as the probabilities of doing better and worse than the user minimum goal.

The present invention allows the user to access a web-based automated rule-based coaching system directing the user through all transactions within the system, focusing his attention to possible financial problems and suggesting possible general solutions. Furthermore, having received automated coaching, the user may further have access to a live advisor in order to receive more specific financial coaching. The access to the automated coaching and the live advisor may be controlled in part by a service level agreement.

The present invention's financial risk modeling system is a dynamic, interactive and intelligent risk modeling tool that incorporates a user profiles as a parameter of the financial risk model. Thus the system can model the user's existing and historical financial portfolio, and further make appropriate user specific suggestions to help the user achieve his financial goals, by filtering and presenting to the user only securities that conform to the user's personal investment parameters. The present invention helps investors to objectively quantify the risk and reward in their personal portfolios. It supports investors in making optimal picks to meet their investment goals and avoid unaffordable losses. These and other advantages of the present invention will be apparent upon a study of the following descriptions and drawings.

Please amend the specifications starting on page 10, line 3 to read:

#### **DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENTS**

Figure 1 is an illustration of one embodiment of a financial management information system for providing personalized financial coaching in a collaborative computing environment between a user and a dedicated financial advisor. The term financial coaching as used herein this invention refers to coaching which may help a user consider a product, but never advises taking action on one. Such advice can only be dispensed by an accredited professional. Referring to Figure 1, financial management system 100 comprises a financial coaching system 102 connected through a wide area network 104 to the live advisor terminal 106 a user terminal 110.

The financial coaching system **102** further includes a risk modeling system **107** that performs various risk modeling operations on the user investment portfolio. The wide area network **104** is the Internet. The Internet is based on the TCP/IP communication protocol first developed by the Department Of Defense in the 1960s. The present invention may be implemented using other protocols and any other networking system, including wireless networks, the Network File Service (NFS) protocol used by Sun Microsystems or a Novel network based on the UDP/IPX protocol.

Preferably, the user may access the system through any type of a terminal **110**. A typical user computer terminal would be described in more detail in figure 3.

The user (e.g. individuals or company representative seeking financial coaching) may access the system using a user terminal **110** (e.g. personal computer). A typical user computer terminal would be described in more detail in figure 3. The user terminal **110** is equipped with a proper interface to receive live streaming video or still pictures from the advisor video camera **108-B** sent over the wide area network **104** to the user **110**. Preferably, the user terminal **110** is further equipped with a video camera **108-A** and software to transmit live streaming video from the user, across the network **104** to the live advisor at the advisor terminal **106**.

Access to the live financial advisor **106** and all other services provided by the Financial management system is controlled and channeled through the Financial coaching system **102**. The user can access the financial coaching system **102** through the network **104** or by telephone **109-A**. A user telephone call is channeled through a call center discussed further in Figure 2 to the Financial Coaching System and to the live advisor **106**.

Preferably, the user may communicate with the financial coaching system **102** through any number of devices such as a handheld wireless personal organizer, pagers, cellular telephones, land telephones and regular desktop computers. All of the above equipment can act as a user terminal **110**.

The live advisor terminal **106** is preferably equipped with the video camera **108-B** for transmitting live streaming video. The live advisor **106** may further communicate with the user via a telephone **109-B**.

Figure 2 is a block diagram of an implementation of the financial coaching system **102**. The user may access the system through the Internet **104** and through a firewall server **112**. In a preferable implementation of the present invention, the wide area network is the Internet,



intranet, etc. A Web server 114 provides the user with a personalized website providing an interactive interface between the user, the financial advisor and financial management system 100. The financial coaching system 102 further includes of a mail server 116, an application server 126, a call center 117 and a data server 128, all interconnected through a local area network 106. The local area network (LAN) 113 is connected to the Internet.

Security is important in any financial system. The firewall server 112 controls the access to the financial advisor system. The purpose and functionality of a firewall server is to prevent access to the system by unauthorized users and it would be appreciated by one skilled in the arts. Firewall servers are available through a variety of vendors and have become a standard feature of any secure system used as the primary defense against intruders and hackers.

The web server 114 provides a personalized interactive web page environment for the user to operate in once he accesses the system. The web page is acting as the web interface between the financial system. Web pages may be created using the Hyper Text Markup Language (HTML), scripting languages such as Java Script™ or Pearl™ as well as Java™ applets, Visual Basic Script, Shockwave, Cold Fusion, etc. Creation of customized web page using any of the above programming languages is well known to one skilled in the arts. The personalized web page provides an environment and an interface for the user to interact with the financial coaching system 102. As an example, in one embodiment of the present invention, by selecting an appropriate icon from the interactive personalized website, the user is able to learn, plan, decide, transact and monitor his financial model. The mail server 116 handles electronic mail communication between the user and the financial coaching system 102. The Mail server 116 may operate using any standard protocol such as Simple Mail Transfer Protocol (SMTP) and it is within the scope of the knowledge of one skilled in the art.

The application server 126 is where the various modules of the financial coaching system reside. The modules include the various coaching engines, the LifePath and the portfolio modeling sub-systems. The applications may be implemented in any programming language, including the object oriented programming languages such as C++ or Java™ and be based on any platform such as UNIX™, Apple OS™ or Windows™ and NT™.

Alternatively, the user may also interact with financial coaching system 102 using a telephone 124. The user's call is channeled through the call center system 117. The call center 117 includes an Automatic Call Distributor (ACD) server 122, an Interactive Voice Response

Server (IVR) 124, a Computer Telephony Integration (CTI) server 118 and a Relationship Manager (RM) workstation 125, all interconnected through the Local Area Network or intranet 127. The local area network 113 may also be used in interconnecting the various servers of call center. When the user calls into the financial coaching system 102 using a remote telephone 124, the IVR sever 124 receives the user's telephone call. The IVR system greets callers, prompting them for identification, and providing some information automatically. The Automatic Call Distributor (ACD) server 122 distributes the call using the Internet Protocol (IP) over the network, to the appropriate live coach. The Computer Telephony integration server (CTI) 118 acts as the link between the live advisor's telephone call and the workstation based applications and allows them to automatically work together. As an example, when the IVR server 120 obtains some information about the calling user, this information is delivered to the live advisor's workstation 106, so the advisor does not have to request the same information again. Once the telephone call is properly routed to the live advisor, the user can user other means of communication such as electronic mail or white board <sup>TM</sup> simultaneously while he is interacting with the live advisor.

The Data server 128 stores user input data and supplies the application Server 126. The data server 128 includes outside database sources from which the financial coaching system 102 can draw information such as actuarial data such as historical price data on securities from sources such as Reuters, user financial information such as banking and portfolio information in other financial institution, and market information such as the days closing numbers for various market indices as well as individual stock securities pricing information. Formatted in the Open File Exchange (OFX) format, now the accepted internet standard used by programs such as Quicken<sup>TM</sup> and MS Money <sup>TM</sup> the data server through the firewall can easily exchange information with the outside world and specifically the user. Furthermore, the coaching engine rules for various coaching engine may reside on the application server 126.

It should be noted that various computing platforms could be used to access the financial management system of the present invention. For example, a networked personal computer environment, a client-server system, a mainframe terminal environment, WEB TV terminal environment, dumb terminal environments can be used to access the financial management system of present invention. Depending upon the user's needs, a client-server system may be the most preferable computing system for implementing the financial system of the present



invention. Furthermore, the representation of each server such as an application server or a data server is a logical representation. The actual physical systems may be distributed over many servers, or be included on a single machine.

Figure 3 is a computer system architecture that can be used in implementing the present invention. This computer system architecture can be used to implement a user workstation, or any of the servers called for in figure 2. The present invention may be practiced on any of the personal computer platforms available in the market such as an IBM™ compatible personal computer, an Apple Macintosh™ computer or UNIX™ based workstation. The operating system environment necessary to practice the present invention can be based on Windows™, NT™, UNIX™, Apple Operating System™, or free operating system software such as Linux™ and Apache™. Furthermore, the computer system can support a number of processes. As appreciated by one skilled in the art, the processes may be written in any of the available programming languages including the newer object oriented programming languages such as Java™ or C++.

The computer system architecture of figure 3 comprises of a central processing unit 130, such as a microprocessor, a read only memory (ROM) 136, a random access memory (ROM) 134, an input and output adapter 138, a storage device 140, and interface 142 connecting a plurality of input and output device such as a keyboard 144, a mouse 146, a speaker 148, a microphone 150, a video camera 152 and a display 158, and a system bus interconnecting all the components together. The computer may also include such devices as a touch screen (not shown) connected to the bus 132 and communication adapter 154 such as a dial up modem, a Digital Subscriber Line (DSL) modem or a cable modem, for connecting the workstation to a communication network 104 (e.g., the internet). The storage device 140 can be any number of devices including but not limited to hard disk drive, a floppy drive, CD-ROM, DVD, a tape device, or the newer removable storage devices such as a Jazz™ drive or ZIP™ drive.

Figure 4 represents a block diagram of a financial Modeling System 102 of the present invention. A user would connect to the Financial Coaching system 102 using the wide area network 104. Once connected, the user has to input his login information and be authenticated by the firewall server. The user at a user terminal 110 enters the Financial Coaching system 102 at the service level subsystem 160. The service level agreement provides the level of services the user is entitled to. Once the user has negotiated a service level agreement 161, he is

prompted to select the model to be used in operation 162. In one embodiment of the present invention, the level of service and support selected in the service level agreement 160 would control the user's access to different modeling tools.

In a preferred embodiment of the present invention the LifePath model may be the hub of the financial institution's relationship. The LifePath model provides data to all coaching engine allowing customized coaching output to be dispensed to the user based on his unique financial situation. The LifePath model combines all the pertinent financial information about a user in one coherent and comprehensive picture and models the user's life intentions into an aggregated cash flow system over a user selected period of time. Using the terminal 110 the user inputs his life intentions in terms of projected income and expenses. The LifePath model 164 maintains an interactive dialog between the user and financial management system 100. The LifePath model integrates the financial information available about the user in accordance with the user's service level agreement 160 to create an aggregate forecast of cash flow over the user's lifetime. The financial information available about the user includes the user's life intentions data 166 and the user's external financial data 168. In a preferred embodiment of the present invention, the user's external financial data can include current checking account information from the user's bank or data related the user's 401K plan. By incorporating external data 168 into the LifePath model 164, the system is capable of dynamically analyzing the financial needs of the user and providing the user with an understanding of their financial health at any point with minimal input from the user. As discussed above, personalized service level agreement 160 can optionally allow the user to limit the system's and/or advisor's access to the user's external financial data 168.

Additionally, LifePath model 164 also integrates external market data 170 into the aggregated forecast of the user's cash flow. In one embodiment of the present invention, external market data 170 includes information such as current mortgage interest rates or market inflation rates. Access to both internal and external databases is controlled by the user's service level agreement.

The LifePath modeling tool 164 is further discussed in a related U.S. application named the A Financial Planning and Counseling System Projecting User Cash Flow, by the same inventors as the present invention, [attorney docket number AND1P758] Application Serial No. 09/705,288, filed on the same day as the present application and incorporated herein by reference. Furthermore, the communication system described in figure 2 is further described in

the related application titled Communication Interface For a Financial Modeling and Counseling System, [attorney docket number AND1P757] Application Serial No. 09/705,290, by the same inventors as the present invention, filed on the same day as the present invention, and herein incorporated by reference. The automated coaching and live advising systems are further described in the related patents titled Financial Modeling and Counseling System, [attorney docket number AND1P755] Application Serial No. 09/705,154 and Automated Coaching for a Financial Modeling and Counseling System, [attorney docket number AND1P760] Application Serial No. 09/705,255, and A User Interface For a Financial Modeling System, [attorney docket number AND1P759] Application Serial No. 09/704,838, all by the same inventors as the present invention, and all filed on the same day as the present application, and all of which are herein incorporated by reference.

Alternatively, the user may by pass the LifePath model and start with the portfolio modeling tool 182. The availability of the portfolio modeling tool is based on the user's service level agreement 161. The user would supply his financial portfolio information to the financial coaching system 102, either directly using the user terminal 110 or indirectly through the wide area network 104, by accessing a multiplicity of databases 166, 168 and 170 and accessing information such as his securities portfolio at a particular brokerage firm. The financial portfolio modeling tool 182, is an interactive tool that has access to the all the information available to the LifePath model 162, such as the user's life intentions data 166, the user's external financial data 168, as well as external market data 170. User insight data 167 and aggregated data from the LifePath model 165 is also available to the portfolio modeling tool. As a result the user has little to input and may start using the portfolio model 182 very quickly without the need to do a lot of tedious data input. The financial portfolio modeling also allows the user to access a computer coach and/or a live advisor based in part on the service level agreement.

An alternative embodiment allows the user to go through the LifePath model 164 and set his long term financial goals and then using the portfolio modeling tool 182 the user would adjust his investment portfolio to better achieve his long term financial goals.

Coaching generating subsystem 172 comprises one or more or coaching engines 174. Coaching engine 174 dynamically analyzes the financial needs of the user in accordance with the user's service level agreement. Furthermore, the coaching engine 174 is configured to operate with rules repository 176. Rules repository 176 is a collection of rules-based business logic that

produces clear automated coaching. Rules repository 176 generates its coaching using LifePath data 165 and user insight data 167. Alternatively the investment portfolio data from the portfolio modeling tool 182 triggers the coaching engines advise. In one embodiment of the invention, user insight data 167 includes transaction history, product or purchase history, as well as demographic information about the user.

In addition to providing sound coaching to the user, coaching generating subsystem 172 also suggests product solutions to the user. As an example, in one embodiment of the present invention, the coaching engine 174 can recommend that the user include deposit products and loan products in their financial plan. For example, the coaching engine 174 can recommend that the user acquire a certain mortgage or bridge financing. Similarly, the coaching engine 174 can also direct the user to the need for financial products such as, home improvement, line of credit, or credit card products. Coaching engine 174 can also have access to product information from various financial institutions (not shown). Accordingly, the user can request additional information about the various products recommended by the system.

The user can access their financial plan or LifePath model using user terminal 110. User terminal 110 is part of collaborative computing environment 178 and is in data communication with virtual coach 180 and the advisor terminal 106 through communications network 104. In one embodiment of the present invention, communication network 104 is the Internet.

The coaching and suggested product solutions generated by the coaching generating subsystem 172 are presented to the user through virtual coach 180. Virtual coach 180 presents the product recommendation with accompanying rationale. The user may or may not wish to contact the dedicated financial advisor for additional coaching or information. Because the system generates reasoned financial coaching in accordance with the user's financial needs and intentions, the financial advisor is able to operate more productively. Furthermore, the user can test different scenarios by altering the data captured by LifePath model 164. Each scenario can then be analyzed by coaching engine 174. The virtual coach 180 is further described in the related U.S. application named Automated Coaching System, [attorney docket number AND1P760] Application Serial No. 09/705,255, by the same inventors, filed on the same day as the present application and incorporated herein by reference In addition to virtual coach 180, the user can optionally interact with a dedicated financial advisor 106 through communications network 104.

In one embodiment of the present invention, financial advisor **106** is located in a call center **118** on a relationship manager's workstation **125**. Financial advisor **106** can interact with user **110** using various multimedia interaction tools, for example, still-shot images or video streaming. Accordingly, the user is able to buttress the coaching received from virtual coach **180** with coaching from a dedicated financial advisor operating at terminal **106**. In many situations, the live advisor's input may be necessary, since he brings a level of expertise and experience no automated coaching system may match. However, since the automated coaching has framed the problem for the user and the live advisor, both can immediately start analyzing alternative solutions in a focused and more cost efficient fashion.

Depending on the level of service the user has negotiated with the service level agreement **161**, he may have a multiplicity of modeling tools available in the financial management system. In alternative embodiments of the present invention, modeling tools for analyzing various financial instruments such as bonds, reverse mortgages, option contracts and a like may be available to the user.

Figure 5 is an exemplary graphical user interface **196** that embodies the various concepts and methods set forth for financial portfolio modeling. As shown, the graphical user interface **196** includes a plurality of fundamental selection icons **198** including a my page icon **200** for displaying a graphical user interface specifically tailored for a particular user, a save icon **202** for saving any changes made to the graphical user interface **196**, an export icon **208** for exporting data displayed by the graphical user interface **196**, a print icon **210** for printing various fields of the graphical user interface **196**, a help icon **212** for obtaining help information, and an exit icon **214** for exiting the graphical user interface **196**.

My page icon **200** displays a web page that can be customized to each user's need, simplifying the use of the portfolio model **182**. In one embodiment of the present invention, the portfolio modeling system uses the Open File Exchange (OFX) protocol which has become the standard protocol for the exchange of financial information over a wide area network, and particularly the Internet. Thus exported data from the portfolio modeling system into other financial programs is formatted to be easily usable by these programs.

Further displayed on the graphical user interface **196** is a plurality of mode icons **216** for initiating various modes of operation. The mode icons **216** include a transact icon **218** for initiating transactions involving the purchasing and selling of investments utilizing a network, a



monitor icon **220** for monitoring the performance of the investments, a model icon **222** for generating an investment model based on criteria entered by the user, an explore icon **224** for retrieving information on the investments, and a track icon **226** for tracking the investments utilizing the network. In the preferred embodiment of the present invention, the Wide Area Network **104** is the Internet and the portfolio modeling system has access to outside databases such as Reuters and Bloomberg for historical and current securities pricing or market indexes.

With continuing reference to Figure 5, a communication medium **228** may be employed to converse with other users, namely financial advisers, etc. Such communication medium **228** includes a window **230**, and a plurality of communications icons **232** that enable various types of communication between the user and the live coach or advisor. Such communications icons **232** include an e-mail icon, a chat icon, a voice icon, a talk icon, a clips icon, and a video icon. The mail server **116** and call center **118** allow the user to contact the advisor by email or telephone call. The mail server further supports live chat and voice over the network as well as a collaborative medium such as a White Board™. Depending on the bandwidth available to the user, he may receive still pictures or live streaming video of the advisor, or he may see an animation.

The incorporation of the various communication technologies and programs within the context of a financial coaching system is further described in a related application titled Communication Interface for a Financial Modeling and Counseling System, [attorney docket number AND1P757] Application Serial No. 09/705,290, by the same inventors as the present application, filed on the same day, and incorporated herein by reference. Also, the graphical user interface of figure 5 is further described in the U.S. related application by the same inventors, titled A User Interface for a Financial Modeling System, [attorney docket number AND1P759] Application Serial No. 09/704,838, both filed on the same day as the present invention and both herein incorporated by reference.

A filtering field **234** is also shown in Figure 5. Such filtering field **234** includes a plurality of companies and associated risk levels and industries which are displayed in accordance with the user's appropriate tolerance to risk and investment style. A risk/reward map **236** is also shown displaying the probability of the user reaching its financial goals. Also shown is a coaching window **238** for displaying coaching strings **240** based on a rule-based automated



coaching engine. Such window **238** may include a field adjustment bar **242** in order to facilitate viewing of the coaching strings **240**.

Further features associated with the graphical user interface for the portfolio modeling **182** include an information window **244** which illustrates various charts pertaining to sector diversification and other investment parameters. A portfolio model window **246** may also be displayed for portfolio modeling purposes. It should be noted that the various services provided by the present invention might be initiated by selecting corresponding service icons **248**. The optimize icon **247** optimizes a securities list based on the newly specified criteria. The criteria icon **249** enables the user to introduce additional criteria for selecting a particular security. The trade list **251** displays the system recommended securities that should be sold based on the user criteria and his personal financial parameters. The filter icon **253** generates a filtered list of securities displayed in the filtered list window **234**. Sort icon **261** sorts the list of securities based on a user selected criteria such as alphabetical order. The coaching icon **259** generates context sensitive coaching related to the user's financial portfolio. The undo icon **257** undoes a specific swap of securities. The submit icon **255** submits and the user changes to his portfolio during the current session.

Further, a profile may be viewed and adjusted using a plurality of profile icons **250**. This ease of use helps the user to feel comfortable with the system and trusting of it, allowing him to take full advantage of the all the integrated features of the system.

The user can set a target goal for his investment portfolio as well as his preferences by selecting the target and preference icon **252**. He may do an analysis on his past or present portfolio by selecting the portfolio analysis icon **254**. He may trigger specific coaching on specific a security or group of securities or even on whole industry sectors, as well as request more detail information by selecting the stock analyst icon **256**. He may further model and analyze the effect of inclusion or exclusion of particular securities on his portfolio by swapping stocks in and out of the portfolio **258**. When selecting a particular icon corresponding to the various tools, a corresponding help text string appears in the help screen **260**, directing the user on how to use the particular tool.

Figure **6** illustrates an investment portfolio management method utilizing a coaching engine in a network based financial framework. First, in operation **261**, a plurality of parameters is set for a subject utilizing a network. The parameters include personal investment parameters

262, personal financial parameters 264, and/or asset mix parameters 266. Such parameters may include a minimum retirement, target floor, investment rate, tax implications, etc. In operation, the parameters may be selected manually by the subject using a desired graphic user interface, or by a third party.

Next, the network is utilized to provide the subject coaching from an investment coaching engine in operations 268, where such coaching relates to the setting of the parameters. The coaching may be provided by utilizing a look-up table which is capable of generating various combinations of coaching based on the settings. In the alternative, the coaching may be generated using any other type of artificial intelligence system.

At least one financial model for a portfolio of the subject is subsequently generated in operation 270 based on the setting of the parameters. This may be generated using a system similar to that which generates the coaching, or any other desired means. The network is again used to provide coaching from the investment coach engine to the subject with the coaching relating to the generated financial model.

As shown in Figure 6, the personal investment parameters include a risk tolerance parameter 272. Further, the coaching by the coaching engine 274 may provide a textual risk tolerance profile for the subject based upon an interpretation of current risk tolerance parameters of the subject as textual analysis.

Further, the personal investment parameters may include an investment style parameter 276. In such embodiment, the coaching by the coaching engine 278 provides a textual investment style profile for the subject based upon an interpretation of current investing style parameters of the subject as textual analysis.

Furthermore, in yet another embodiment of the present invention, the personal investment parameters include a bull/bear attitude parameter 270. In the present embodiment, coaching by the related coaching engine 272 provides a textual description of an implied future of financial markets and graphs showing forecast curves of financial markets based upon the building of financial market forecasts which are, in turn, based upon evaluations from financial experts.

In one embodiment, the coaching by the coaching engine 274 relating to the setting of the personal financial parameters in operation 262 provides an alert if the investment parameters of the subject conflict with LifePath cash flows or personal parameters based on a consistency

check of the investment parameters with data obtained from a LifePath model and personal investment parameters.

**In the Claims:**

Please amend claims as follows:

1. A method for developing a web-based financial portfolio remotely over the Internet, comprising:

- determining a current financial portfolio for the user using the Internet;
- determining the user profile based on personal financial parameters including at least a risk tolerance level; and
- providing suggestions over the Internet for changes to the current financial portfolio of the user reflecting the profile of the user, including providing customized financial coaching tailored to the life intentions of the user and providing suggestions of various products.

16. A system for developing a web-based financial portfolio remotely over the Internet comprising:

- a portfolio generator used to model a current financial portfolio for the user;
- a user profile generator for generating a user profile based on user personal financial parameters wherein the user profile includes at least a risk tolerance level;
- a computer coaching server coupled to the Internet; and
- a live financial advisor server coupled to the Internet; wherein said computer coaching server and said live financial advisor may be used for recommending changes to the user financial portfolio based on the user profile, including providing customized financial coaching tailored to the life intentions of the user and providing suggestions of various products.

30. A computer program embodied on a computer readable medium for developing a web-based financial portfolio remotely over the Internet, wherein the computer program comprises:

- code segment for determining a current financial portfolio for the user using the Internet;
- code segment for determining the user profile based on personal financial parameters provided, including at least a risk tolerance level; and

code segment for providing suggestions over the Internet for changes to the current financial portfolio of the user reflecting the profile of the user, including providing customized financial coaching tailored to the life intentions of the user and providing suggestions of various products.